

For Immediate Release
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**MISSOURI SENATE PASSES LEGISLATION THAT WOULD
CREATE THE HOMESTEAD PRESERVATION ACT**

JEFFERSON CITY -- The Missouri Senate on Tuesday passed legislation sponsored by Sen. Chuck Gross, R-St. Charles, that would offer senior citizens some relief from rapidly rising property taxes.

Currently under statewide reassessment, a home's value is supposed to be recalculated every two years, and because reassessment is not intended to create an overall increase in taxes, levies are supposed to be rolled back. At the same time, the taxes on individual property can increase – sometimes dramatically – if the reassessed value of the property is greater than the average increase of all properties in the political subdivision.

The Homestead Preservation Act, Senate Bill 730, would allow senior citizens and those who are disabled to obtain a credit against their property taxes that exceed a certain amount – estimated at around 5 percent. The credit for an excessive increase would then be applied against the taxes paid in the following year.

Assessors would be required to forward all information on applicants for the homestead credit to the Department of Revenue (DOR) by Oct. 31. Then the DOR would certify to the collectors and clerks a list of those applicants in their area who meet the requirements of the homestead preservation credit.

Each January, the Missouri General Assembly would file an appropriation bill to fund the homestead exemption.

In October or November when county collectors send a current year tax bill, for all those eligible there would a homestead credit from the prior year listed on the bill and applied against the current bill.

The Missouri School Boards' Association, the Missouri State Teachers Association, the Missouri Silver Haired Legislature, the Missouri Collectors' Association, the Cooperating School Districts of Greater St. Louis and the Missouri Growth Association have all gone on record in support of SB 730.

“One of my retired constituents came to me with a property tax bill that had increased by 43 percent,” Gross said. “That kind of increase can literally drive a person out of their home. For people living on a fixed income, a rise in property taxes can be devastating.”

Having been passed by the Missouri Senate, SB 730 has now been sent to the House of Representatives for consideration.